



U.S. Department of Housing and Urban Development

Public and Indian Housing

Special Attention of:

Notice PIH 99-39 (HA)

HAs with Section 8 Moderate
Rehabilitation; Secretary's
Representatives; State and Area
Office Directors of Public Housing;

Issued: August 27, 1999

Expires: August 31, 2000

Cross References: PIH 98-62 (HA), PIH 99-22

Subject: Attachment to PIH Notice 99-22 (Clarification of PIH Notice 98-62 Governing FY 99 Renewal of Expiring Section 8 Moderate Rehabilitation Housing Assistance Payments (HAP) Contracts)- Rider to HAP Contract.

- PURPOSE:** This Notice supplements Notice PIH 99-22 by transmitting the Rider to the renewal HAP contract executed pursuant to Section 514(c) of the Multifamily Assisted Housing Reform Act of 1997 (MAHRA).
- BACKGROUND:** Notice 99-22 modifies and supplements Notice PIH 98-62. Notice PIH 98-62 provides instructions for implementing Sections 524(a)(1) and (2) of MAHRA, as amended by Section 597 of the Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1999 (FY '99 Appropriations Act) governing the renewal of housing assistance payments (HAP) contracts under the Section 8 moderate rehabilitation (Mod Rehab) program.
- MOD REHAB HAP CONTRACTS WITH MORTGAGES INSURED OR HELD BY HUD WHERE OWNER REQUESTS A SECTION 8 CONTRACT RENEWAL AS PART OF A RESTRUCTURING PLAN:** When a Mod Rehab property eligible for restructuring enters into a Section 8 renewal HAP contract in accordance with paragraph 6 of PIH Notice 99-22, the PHA must, among other things, execute a Section 514(c) renewal HAP contract with the owner and the attached Rider to the HAP contract (Attachment A-1). For further instructions on Section 514(c) HAP contract renewals, consult PIH Notice 99-22 issued May 20, 1999.

/s/

Harold Lucas, Assistant Secretary
for Public and Indian Housing

Attachment